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UNITED NATIONS POPULATION FUND

Annual Financial Review, 2003

Summary

From 2002 to 2003, total income to UNFPA increased by $24.7 million or 6.6 per cent. This increase derives for the most part from a $38.4 million or 15.4 per cent growth in contributions to regular resources, which continues the trend of the last five years. In the last biennium, this trend was maintained despite the temporary loss of a significant donor and is attributable to favourable exchange rates combined with the continued and strengthened support of other donors. However, despite the encouraging trend, annual contributions to regular resources have not yet matched contributions received immediately following the 1994 International Conference on Population and Development (ICPD). With respect to its funding base, UNFPA aims to continue to increase and to achieve stability and predictability in contributions to regular resources, thereby facilitating its pursuit of the goals of the ICPD Programme of Action and the Millennium Development Goals.

Income to other resources decreased by $5.9 million or 5.4 per cent from 2002 to 2003, continuing a trend evidenced in recent years.

Total expenditure decreased by $30.1 million or 7.3 per cent to $380.0 million in 2003. Despite significant increases in payroll, security, and country office typology-related costs, expenditure in respect of the biennial support budget was contained within the Executive Board approved appropriation. Programme and other expenditure, specifically on the Enterprise Resource Planning system and termination payments, was managed prudently.

The balance of unexpended regular resources carried forward from 2003 to 2004 totalled $20.0 million, representing 5 per cent of income for the year. Statutory reserves, operational and field accommodation, were replenished. The net decrease in the reserves and fund balances of other resources provides indication that UNFPA programme absorptive capacity is improving.

UNFPA closed the year and the biennium in robust financial health.

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Introduction

1. The annual financial review, 2003, provides summary information on UNFPA income and expenditure for the year and on assets, liabilities, and fund balances at 31 December 2003. This information is provided for activities funded by both regular and other resources.

2. The statements "Income and expenditures and fund balances for the year ended 31 December 2003" are provided in Table 1 for regular, other, and total resources and Table 2 for other resources by category. The statement "Assets, liabilities and fund balances at 31 December 2003" is provided in Table 3 for regular, other, and total resources.[1]

I. TOTAL RESOURCES

A. Income

3. Total income to UNFPA in 2003 was $397.9 million (in 2002 it was $373.2 million), comprising contribution income of $392.1 million (in 2002 it was $359.6 million), interest income of $4.6 million (in 2002 it was $9.3 million) and other income of $1.2 million (in 2002 it was $4.3 million).

4. Total contribution income for the last five years can be summarized as follows:

	2003 $m	2002 $m	2001 $m	2000 $m	1999 $m
Regular resources	288.5	250.1	258.3	256.6	245.1
Other resources	103.6	109.5	123.5	143.1	72.2
Total	392.1	359.6	381.8	399.7	317.3
Other resources as percentage of total resources	26.4%	30.5%	32.3%	35.8%	22.8%

5. Contributions to regular resources have for the most part increased steadily in the last five years.

B. Expenditure

6. Total expenditure in 2003 was $380 million (in 2002 it was $410.1 million).

7. Total expenditure for the last five years can be summarized as follows:

	2003 $m	2002 $m	2001 $m	2000 $m	1999 $m
Programme expenditure	303.6	343.3	317.6	216.0	271.6
Programme activities	283.0	319.5	293.7	192.3	
Technical Advisory Programme	13.9	17.5	17.8	17.6	
Programme support services	6.7	6.3	6.1	6.1	
Net biennial support budget	67.5	65.4	57.1	56.4	65.2
Other	8.9	1.4	3.0	5.1	2.2
Total expenditure	380.0	410.1	377.7	277.5	339.0

[1] Figures may not add up to the totals due to rounding.

8. Programme activities expenditure for the last two years can be summarized by region as follows:

	2003		2002	
	$m	%	$m	%
Sub-Saharan Africa	92.7	32.7	95.0	29.7
Asia and the Pacific	81.7	28.9	84.8	26.6
Arab States and Europe	27.7	9.8	29.2	9.1
Latin America and the Caribbean	31.6	11.2	47.6	14.9
Interregional	36.6	12.9	56.2	17.6
Other trust funds / Procurement services / Junior Professional Officers programme	12.7	4.5	6.7	2.1
Total programme activities expenditure	283.0	100.0	319.5	100.0

9. Programme activities expenditure for the last two years can be summarized by UNFPA country category as follows:

	2003		2002	
Country Category	$m	%	$m	%
A Countries in most need of assistance to realize ICPD goals	142.4	50.3	147.2	46.1
B Countries which have made considerable progress towards achieving ICPD goals	47.7	16.9	60.9	19.1
C Countries that have demonstrated significant progress in achieving ICPD goals	14.4	5.1	19.1	6.0
T Countries with economies in transition	8.5	3.0	9.3	2.9
O Other countries	1.5	0.5	2.0	0.6
Total country projects	214.5	75.8	238.5	74.7
Regional projects	19.2	6.8	18.0	5.6
Interregional projects	36.6	12.9	56.3	17.6
Other trust funds / Procurement services / Junior Professional Officers programme	12.7	4.5	6.7	2.1
Total programme activities expenditure	283.0	100.0	319.5	100.0

C. Fund balances and reserves

10. Reserves and fund balances at 31 December 2003 totalled $191.4 million (in 2002 it was $184.6 million).

11. Reserves and fund balances for the last five years can be summarized as follows:

	2003 $m	2002 $m	2001 $m	2000 $m	1999 $m
Programmable fund balances	128.7	129.6	177.5	164.7	64.2
Operational reserve	57.7	50.0	51.7	52.0	24.0
Reserve for field accommodation	5.0	5.0	5.0	5.0	5.0
Total	191.4	184.6	234.2	221.7	93.2

II. REGULAR RESOURCES

A. Income

12. Contribution income for the year was $288.5 million (in 2002 it was $250.1 million). The increase by $38.4 million or 15.4 per cent is due to primarily the continuing decline in the value of the US dollar throughout the year.

13. At 31 December 2003, a provision of $0.1 million (in 2002 it was $0.7 million) was made in respect of contributions receivable for which collection is considered doubtful.

14. Low interest rates combined with a lower cash and investment balance throughout the period gave rise to interest income for the year of $2.6 million (in 2002 it was $5.8 million). Other income totalled $1.2 million for the year (in 2002 it was $4.3 million).

15. Table 4 provides a summary of contributions in excess of $1.0 million.

B. Programme expenditure

16. Actual programme expenditure for the year, which includes the direct costs of programme activities, expenditures in respect of the Technical Advisory Programme (TAP), and the cost of support services incurred by UNFPA and other executing agencies, totalled $195.3 million (in 2002 it was $226.2 million).

17. Table 5 and Figure 2 provide further analysis of programme activities by recipient country and region.

18. The difference in programme expenditures for 2002 and 2003 was influenced by the difference between the amount of resources carried forward from 2001 to 2002 ($39.9 million) and from 2002 to 2003 ($6.6 million). In addition, there were one-time costs in 2003 related to operations, thereby further reducing the amounts available for the programme.

19. Programme activities expenditure by executing agency can be summarized as follows:

	2003		2002	
	$m	%	$m	%
UNFPA	87.8	49.8	98.0	48.1
Governments	56.2	31.9	69.1	34.0
Intergovernmental institutions and NGOs	26.5	15.0	28.6	14.0
United Nations agencies	5.9	3.3	7.9	3.9
Total programme activities expenditure	176.4	100	203.6	100

C. Biennial support budget

20. The revised gross and net BSB appropriations for the biennium ended 31 December 2003 were $155.2 million and $135.1 million, respectively.

21. Actual BSB activity for the year can be summarized as follows:

	2003	2002
	$m	$m
Gross BSB expenditures	76.9	73.7
Credits to BSB	(9.4)	(8.3)
Net BSB expenditures	67.5	65.4
Total expenditure	270.8	292.9
Net BSB as percentage of total expenditure	24.9%	22.3%

22. The increase in the ratio of the net BSB to total expenditures is attributable both to the decrease in programme expenditure and a moderate increase in net BSB expenditures.

23. Actual BSB expenditures can be summarized as follows:

	2003	2002
	$m	$m
Posts	55.0	51.3
Other staff costs	0.6	0.6
Consultants	0.9	0.4
Travel	1.0	1.2
Operating expenses	13.9	13.9
Furniture and equipment	1.9	1.0
Reimbursement to United Nations agencies	3.6	5.3
Gross total	76.9	73.7
Credits to BSB	(9.4)	(8.3)
Net BSB expenditures	67.5	65.4

24. Net BSB appropriations were 98.4 per cent utilized for the biennium ended 31 December 2003. The unencumbered balance of net appropriations at 31 December 2003 was $2.3 million.

D. Implementation of the Enterprise Resource Planning system

25. The financial plan for the ERP system totalled $10.0 million for the biennium ended 31 December 2003. Expenditures of $6.0 million were incurred in the year ending 31 December 2003 (in 2002 it was nil). Implementation was ongoing at 31 December 2003.

26. Once fully implemented, the ERP system will allow the integration of currently disparate financial systems, provide budget formulation/forecasting capabilities both for programme purposes and for the BSB in all locations, provide tools for human resources management functions at international and

local levels for all types of staffing, and support procurement activities and results-based management, including key performance management functions.

E. Termination payments

27. Planned expenditures in respect of termination payments to the incumbents of posts not included in the country office typology, totalled $2.0 million. Expenditures of $1.8 million were incurred in the year ended 31 December 2003 (in 2002 it was nil).

F. Fund balances and reserves

28. The balance of programmable funds at 1 January 2003 was $6.6 million (in 2002 it was $39.9 million). The net excess of income over expenditure for the year was $21.7 million (in 2002 total expenditure exceeded income by $33.9 million) and, together with other reserve movements, increased the balance of programmable funds to $20.0 million at 31 December 2003, compared to $6.6 million in 2002.

29. At 31 December 2003, the operational reserve was increased to $57.7 million (in 2002 it was $50.0 million).

III. OTHER RESOURCES

A. Income

30. Total income to other resources during the year was $105.6 million (in 2002 it was $113.0 million) comprising contributions of $103.6 million (in 2002 it was $109.5 million) and other income including interest of $2.0 million (in 2002 it was $3.5 million).

31. Contribution income to other resources can be summarized as follows:

	2003		2002	
	$m	%	$m	%
Cost-sharing	27.8	26.8	43.9	40.1
Trust funds				
Co-financing	62.1	60.0	56.8	51.9
Other	0.0	0.0	0.0	0.0
Procurement services	13.0	12.5	8.5	7.7
	75.1	72.5	65.3	59.6
Junior Professional Officers programme	0.7	0.7	0.3	0.3
Total	103.6	100.0	109.5	100.0

B. Expenditure

32. Programme activities expenditure funded by other resources can be summarized as follows:

	2003		2002	
	$m	%	$m	%
Cost-sharing	26.5	24.9	31.7	27.4
Trust funds				
Co-financing	51.3	48.1	75.7	65.3
Other	1.1	1.0	1.3	1.1
Procurement services	26.9	25.2	7.0	6.0
	79.3	74.3	84.0	72.4
Junior Professional Officers programme	0.8	0.8	0.2	0.2
Total	106.6	100.0	115.9	100.0

C. Fund balances

33. The deficit of income over expenditure for the year of $3.6 million (in 2002 it was $4.1 million), together with refunds to donors of $4.1 million (in 2002 it was $7.2 million) and a net transfer to regular resources of $6.6 million (in 2002 it was $3.4 million), resulted in a decrease in other resources fund balances from $123.0 million in 2002 to $108.7 million in 2003.

IV. CASH AND INVESTMENTS

34. At 31 December 2003, investments held by UNFPA totalled $109.3 million under regular resources, compared to $138.9 million in 2002, and $135.1 million under other resources, compared to $169.2 million in 2002. Cash held under regular resources totalled $9.3 million (in 2002 it was $3.7 million). The market value of investments held at 31 December 2003 was $244.7 million.

V. RECOMMENDATIONS

35. The Executive Board may wish to: (a) take note of the present report (DP/FPA/2004/15); (b) recognize the significance of increasing and achieving stability and predictability in contributions to regular resources; and (c) recognize that timeliness in the payment of contributions is essential to maintaining liquidity and facilitating continuous programme implementation.

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Figure 2.	Regular resources – Programme activities by region

Table 1
Income and expenditures and fund balances for the year ended 31 December 2003

	Regular resources		Other resources		Total resources	
	2003 $million	2002 $million	2003 $million	2002 $million	2003 $million	2002 $million
INCOME						
Contributions [a]	288.5	250.1	103.6	109.5	392.1	359.6
Interest income	2.6	5.8	2.0	3.5	4.6	9.3
Other income	1.2	4.3	-	-	1.2	4.3
Total income	**292.3**	**260.1**	**105.6**	**113.0**	**397.9**	**373.2**
EXPENDITURE						
Programme activities [b]	176.4	203.6	106.6	115.9	283.0	319.5
Technical Advisory Programme	13.9	17.5	-	-	13.9	17.5
Programme support services						
- Implementing agencies	1.6	1.3	0.8	0.7	2.4	2.0
- UNFPA	3.4	3.8	0.8	0.5	4.2	4.3
Programme expenditure	195.3	226.2	108.3	117.1	303.6	343.3
Net biennial support budget expenditures [c]	67.5	65.4	-	-	67.5	65.4
Implementation of ERP	6.0	1.3	-	-	6.0	1.3
Termination payments	1.8	-	-	-	1.8	-
Other expenditure	0.3	-	0.9	0.1	1.2	0.1
Total expenditure	**270.8**	**292.9**	**109.2**	**117.2**	**380.0**	**410.1**
Excess / (Deficit) of income over expenditure	**21.5**	**(32.8)**	**(3.6)**	**(4.3)**	**17.9**	**(37.1)**
Provision for doubtful collection of receivables	0.1	0.7	-	-	0.1	0.7
Prior period adjustments	(0.3)	0.4	0.1	(0.2)	(0.2)	0.2
Net Excess / (Deficit) of income over expenditure	**21.7**	**(33.9)**	**(3.6)**	**(4.1)**	**18.1**	**(38.0)**
Fund balances at 1 January	6.6	39.9	123.0	137.6	129.6	177.5
Transfers within reserves	(9.4)	1.2	-	-	(9.4)	1.2
Refunds to donors	-	-	(4.1)	(7.2)	(4.1)	(7.2)
Transfers within UNFPA resources	1.1	(0.6)	(6.6)	(3.4)	(5.5)	(4.0)
Fund balances at 31 December [d]	**20.0**	**6.6**	**108.7**	**123.0**	**128.7**	**129.6**

[a] see Table 4 for further analysis of contributions in excess of $1.0 million
[b] see Table 5 and Figure 2 for analysis of programme activities by recipient country and region
[c] see Table 6 for analysis of biennial support budget
[d] see Table 7 for analysis of reserves and fund balances

Table 2

Income and expenditures and fund balances for the year ended 31 December 2003 - Other resources

	Cost-sharing		Trust funds		Junior Professional Officers programme		UNFPA support services		Elimination		Total Other resources	
	2003 $million	2002 $million	2003 $million	2002 $million	2003 $million	2002 $million	2003 $million	2002 $million	2003 $million	2002 $million	2003 $million	2002 $million
INCOME												
Contributions	27.8	43.9	75.1	65.3	0.7	0.3	-	-	-	-	103.6	109.5
Interest income	-	-	1.9	3.5	-	-	-	-	-	-	1.9	3.5
Other income	-	-	-	-	-	-	6.7	5.0	(6.7)	(5.0)	-	-
Total income	**27.8**	**43.9**	**77.1**	**68.8**	**0.7**	**0.3**	**6.7**	**5.0**	**(6.7)**	**(5.0)**	**105.6**	**113.0**
EXPENDITURE												
Programme activities	26.6	31.7	79.3	84.0	0.8	0.3	-	-	-	-	106.6	115.9
Technical Advisory Programme	-	-	-	-	-	-	-	-	-	-	-	-
Programme support services												
- Implementing agencies	0.5	0.1	0.3	0.6	-	-	-	-	-	-	0.8	0.7
- UNFPA	1.0	1.5	5.6	3.4	0.1	-	0.8	0.5	(6.7)	(5.0)	0.8	0.5
Programme expenditure	28.1	33.3	85.2	88.0	0.9	0.3	0.8	0.5	(6.7)	(5.0)	108.3	117.1
Other expenditure	-	-	0.9	0.1	-	-	-	-	-	-	0.9	0.1
Total expenditure	**28.1**	**33.3**	**86.2**	**88.1**	**0.9**	**0.3**	**0.8**	**0.5**	**(6.7)**	**(5.0)**	**109.2**	**117.2**
(Deficit) / Excess of income over expenditure	**(0.3)**	**10.6**	**(9.0)**	**(19.3)**	**(0.2)**	**-**	**5.9**	**4.5**	**-**	**-**	**(3.6)**	**(4.3)**
Prior period adjustments	-	-	-	(0.2)	-	-	-	-	-	-	-	(0.2)
Net Excess / (Deficit) of income over expenditure	**(0.3)**	**10.6**	**(9.0)**	**(19.1)**	**(0.2)**	**-**	**5.9**	**4.5**	**-**	**-**	**(3.6)**	**(4.1)**
Fund balances at 1 January	24.1	12.9	98.7	124.5	0.2	0.2	-	-	-	-	123.0	137.6
Refunds to donors	-	-	(4.1)	(7.2)	-	-	-	-	-	-	(4.1)	(7.2)
Transfers within UNFPA resources												
- to Regular resources	(0.3)	-	(0.8)	-	-	-	(5.5)	(3.9)	-	-	(6.6)	(3.9)
- from Regular resources	-	0.6	-	-	-	-	-	-	-	-	-	0.6
- to Other resources	-		-		-		(0.5)	(0.5)	-		(0.5)	(0.5)
- from Other resources	0.1	0.6	0.3	0.5	0.1	-	-	-	-	-	0.5	0.5
Fund balance at 31 December	**23.6**	**24.1**	**85.0**	**98.7**	**0.1**	**0.2**	**-**	**-**	**-**	**-**	**108.7**	**123.0**

Table 3
Assets, liabilities and fund balances for the year ended 31 December 2003

	Regular resources		Other resources		Total resources	
	2003 $million	2002 $million	2003 $million	2002 $million	2003 $million	2002 $million
ASSETS						
Cash	9.3	3.7	11.5	-	20.8	3.7
Investments	109.3	138.9	135.1	169.2	244.3	308.1
Total cash and investments	**118.5**	**142.6**	**146.6**	**169.2**	**265.1**	**311.8**
Accounts receivable and deferred charges						
Contributions receivable from Governments	1.2	6.5	-	-	1.2	6.5
Provision for doubtful collection of contributions receivable	(0.1)	(0.7)	-	-	(0.1)	(0.7)
Other	5.1	5.8	0.2	0.7	5.3	6.5
Other assets						
Operating funds provided to:						
Governments	6.7	12.9	1.4	1.7	8.1	14.6
United Nations agencies	0.4	2.9	-	-	0.4	2.9
Intergovernmental institutions & NGOs	3.4	6.0	2.1	2.8	5.5	8.8
Advance to reserve for field accommodation	-	1.1	-	-	-	1.1
TOTAL ASSETS	**135.2**	**176.9**	**150.3**	**174.4**	**285.5**	**351.5**
LIABILITIES						
Contributions received in advance	-	-	-	-	-	-
Unliquidated obligations	33.9	50.6	40.0	48.0	73.9	98.6
Accounts payable						
Due to UNDP	7.1	42.4	-	-	7.1	42.4
Other	1.5	5.3	1.0	0.3	2.5	5.6
Other liabilities						
Operating funds payable to:						
Governments	2.5	4.9	-	0.7	2.5	5.6
United Nations agencies	5.6	7.1	0.3	0.1	5.9	7.2
Intergovernmental institutions & NGOs	1.9	5.0	0.2	2.3	2.1	7.3
TOTAL LIABILITIES	**52.5**	**115.3**	**41.6**	**51.4**	**94.0**	**166.7**
Reserves and fund balances						
Operational reserve	57.7	50.0	-	-	57.7	50.0
Reserve for field accommodation	5.0	5.0	-	-	5.0	5.0
Programmable fund balances	20.0	6.6	108.7	123.0	128.7	129.6
TOTAL RESERVES AND FUND BALANCES	**82.7**	**61.6**	**108.7**	**123.0**	**191.4**	**184.6**
TOTAL LIABILITIES AND RESERVES AND FUND BALANCES	**135.2**	**176.9**	**150.3**	**174.4**	**285.4**	**351.3**

Table 4
Regular resources - Contributions in excess of $1.0 million

	2003			2002			Variance		
							Total	Due to exchange gain (loss)	Due to increase / (decrease) in contribution
Donor	Currency	Local	$	Currency	Local	$	$	$	$
Netherlands	Euro	58 538 000	67 581 498	Euro	63 038 000	54 949 248	12 632 250	16 554 830	(3 922 580)
Japan	US$	39 517 000	39 517 000	US$	39 517 000	39 517 000	-	-	-
Norway	Nkr	230 000 000	32 951 289	Nkr	222 900 000	25 135 875	7 815 414	7 014 765	800 649
United Kingdom	£	18 000 000	30 221 465	£	18 000 000	26 635 552	3 585 913	3 585 913	-
Denmark	DKr	170 000 000	25 395 764	DKr	175 000 000	22 672 199	2 723 565	3 371 342	(647 777)
Sweden	Skr	205 000 000	23 998 702	Skr	185 000 000	17 899 458	6 099 244	4 164 167	1 935 077
Germany	Euro	14 316 000	16 037 871	Euro	14 682 900	13 680 122	2 357 749	2 699 591	(341 842)
Finland	Euro	12 950 470	13 940 226	Euro	14 450 000	14 236 098	(295 872)	1 181 461	(1 477 333)
Switzerland	SWF	12 500 000	9 239 259	SWF	12 500 000	8 333 333	925 926	925 926	-
Canada	C$	13 100 000	9 027 355	C$	13 100 000	8 254 916	772 439	772 439	-
Belgium	Euro	2 974 723	4 177 877	Euro	4 624 722	4 653 099	(475 222)	1 184 901	(1 660 123)
Ireland	Euro	2 539 000	2 727 175	Euro	1 841 120	1 589 896	1 137 279	534 626	602 653
Italy	Euro	2 300 000	2 623 571	Euro	3 200 000	3 004 695	(376 124)	468 946	(845 070)
France	Euro	1 220 000	1 436 985	Euro	1 300 000	1 122 625	314 360	383 445	(69 085)
Australia	A$	2 230 000	1 376 543	A$	2 230 000	1 205 405	171 138	171 138	-
New Zealand	US$	1 003 320	1 003 320	US$	950 920	950 920	52 400	-	52 400
Other Donors			7 248 771			6 224 061	1 024 710	-	1 024 710
Total Contributions			288 529 671			250 064 502	38 465 169	43 013 491	(4 548 321)

Table 5
Programme activities expenditure by recipient country and region

	Country category	Regular resources 2003 $million	Regular resources 2002 $million	Other resources 2003 $million	Other resources 2002 $million	Total resources 2003 $million	Total resources 2002 $million
Sub-Saharan Africa							
Angola	A	2.0	1.8	-	0.6	2.0	2.4
Benin	A	1.4	2.1	0.3	1.5	1.7	3.6
Burkina Faso	A	1.4	1.7	0.3	0.3	1.7	1.9
Burundi	A	0.9	1.1	0.3	0.4	1.2	1.5
Cameroon	A	2.2	2.3	0.2	-	2.4	2.3
Cape Verde	A	0.4	0.6	0.1	0.1	0.5	0.7
Central African Republic	A	1.0	1.0	1.2	0.0	2.2	1.0
Chad	A	1.9	2.7	-	-	1.9	2.7
Comoros	A	0.4	0.4	0.5	0.3	0.9	0.6
Congo	A	0.7	0.7	-	-	0.7	0.7
Côte d'Ivoire	A	0.6	1.2	0.4	0.8	1.0	2.0
Democratic Republic of the Congo	A	3.2	1.7	-	(0.0)	3.2	1.7
Equatorial Guinea	A	0.4	0.5	0.1	-	0.5	0.5
Eritrea	A	1.1	1.1	0.5	0.8	1.6	2.0
Ethiopia	A	2.9	3.5	1.5	0.3	4.4	3.8
Gambia	A	0.5	0.5	-	0.0	0.5	0.5
Ghana	A	2.8	2.6	1.2	0.8	4.0	3.3
Guinea	A	1.0	0.5	-	-	1.0	0.5
Guinea-Bissau	A	0.3	0.7	0.1	-	0.4	0.7
Kenya	A	2.2	4.9	-	-	2.2	4.9
Lesotho	A	0.3	0.4	0.1	0.0	0.4	0.4
Liberia	A	0.6	0.5	-	-	0.6	0.5
Madagascar	A	2.0	1.6	0.2	0.2	2.2	1.7
Malawi	A	1.4	1.3	1.7	1.6	3.1	2.9
Mali	A	1.7	2.0	0.2	0.2	1.9	2.2
Mauritania	A	1.0	1.8	0.4	0.2	1.4	2.0
Mozambique	A	2.3	2.4	6.7	3.5	9.0	5.8
Niger	A	2.0	2.3	1.1	0.5	3.1	2.8
Nigeria	A	3.7	5.3	2.9	1.1	6.6	6.4
Rwanda	A	1.0	1.2	0.9	0.5	1.9	1.7
Sao Tome & Principe	A	0.3	0.3	-	-	0.3	0.3
Senegal	A	1.5	2.0	0.2	0.2	1.7	2.2
Sierra Leone	A	1.4	1.1	-	-	1.4	1.1
Tanzania, United Republic of	A	1.8	4.2	2.6	3.2	4.4	7.4
Togo	A	1.1	1.1	-	0.0	1.1	1.1
Uganda	A	4.2	3.5	1.9	1.8	6.1	5.3
Zambia	A	1.5	2.2	-	0.2	1.5	2.4
Zimbabwe	A	1.1	1.1	-	(0.0)	1.1	1.0
Total Category A Countries		56.2	65.8	25.6	19.1	81.8	84.8
Botswana	B	0.4	0.6	1.2	0.7	1.6	1.2
Gabon	B	0.2	0.2	-	0.1	0.2	0.3
Namibia	B	0.7	0.8	0.1	0.4	0.8	1.2
South Africa	B	0.5	1.2	0.1	0.3	0.6	1.5
Swaziland	B	0.3	0.6	0.1	0.0	0.4	0.6
Total Category B Countries		2.1	3.4	1.5	1.4	3.6	4.8
Mauritius	C	0.1	0.2	-	-	0.1	0.2
Seychelles	O	-	0.0	-	-	-	0.0
Total country projects		58.2	69.4	27.1	20.4	85.5	89.8
Regional projects		5.3	3.9	1.9	1.3	7.2	5.2
Total programme activities expenditure		63.5	73.3	29.0	21.7	92.7	95.0

Table 5

Programme activities expenditure by recipient country and region

	Country category	Regular resources 2003 $million	Regular resources 2002 $million	Other resources 2003 $million	Other resources 2002 $million	Total resources 2003 $million	Total resources 2002 $million
Asia and the Pacific							
Afghanistan	A	2.4	2.4	3.4	6.3	5.8	8.6
Bangladesh	A	5.1	8.8	16.4	1.5	21.5	10.3
Bhutan	A	0.9	0.5	-	-	0.9	0.5
Cambodia	A	3.8	3.6	-	(0.0)	3.8	3.6
India	A	6.7	13.2	0.1	0.1	6.8	13.2
Kiribati	A	-	0.1	-	-	-	0.1
Lao People's Democratic Republic	A	1.2	1.8	-	-	1.2	1.8
Maldives	A	0.3	0.5	-	0.0	0.3	0.5
Myanmar	A	1.6	1.3	0.1	0.1	1.7	1.4
Nepal	A	1.7	1.8	1.1	1.4	2.8	3.2
Pakistan	A	4.7	4.0	0.2	0.1	4.9	4.1
Papua New Guinea	A	0.4	0.7	-	0.1	0.4	0.8
Samoa	A	-	0.0	-	-	-	0.0
Solomon Islands	A	-	0.1	-	-	-	0.1
Timor-Leste	A	1.2	1.4	-	-	1.2	1.4
Tuvalu	A	-	0.1	-	-	-	0.1
Vanuatu	A	-	0.1	-	-	-	0.1
Total Category A Countries		30.0	40.4	21.3	9.5	51.3	49.9
Indonesia	B	3.2	2.7	1.2	3.5	4.4	6.3
Mongolia	B	1.1	1.8	0.4	0.2	1.5	2.0
Philippines	B	2.9	3.0	0.8	0.3	3.7	3.3
Thailand	B	0.6	0.3	-	-	0.6	0.3
Viet Nam	B	4.5	2.8	0.8	0.0	5.3	2.9
Total Category B Countries		12.3	10.6	3.2	4.2	15.5	14.8
China	C	4.7	4.5	0.2	0.1	4.9	4.6
Democratic People's Republic of Korea	C	0.6	1.1	-	-	0.6	1.1
Fiji	C	-	0.1	0.1	0.1	0.1	0.2
Iran, Islamic Republic of	C	2.3	2.3	-	0.1	2.3	2.4
Malaysia	C	0.2	0.1	-	-	0.2	0.1
Pacific Multi Islands	C	-	0.8	1.4	1.5	1.4	2.3
Sri Lanka	C	0.7	1.2	(0.8)	(0.0)	(0.1)	1.2
Total Category C Countries		8.5	10.1	0.9	1.7	9.4	11.9
Cook Islands	O	-	0.1	-	-	-	0.1
Federated States of Micronesia	O	-	0.1	-	-	-	0.1
Marshall Islands	O	-	0.1	-	-	-	0.1
Tonga	O	-	0.1	-	-	-	0.1
Total Category O Countries		-	0.3	-	-	-	0.3
Total country projects		50.9	61.4	25.4	15.4	76.2	76.8
Regional projects		2.4	2.4	3.1	5.5	5.5	7.9
Total programme activities expenditure		53.3	63.8	28.5	20.9	81.7	84.8

Table 5
Programme activities expenditure by recipient country and region

	Country category	Regular resources 2003 $million	Regular resources 2002 $million	Other resources 2003 $million	Other resources 2002 $million	Total resources 2003 $million	Total resources 2002 $million
Arab States and Europe							
Djibouti	A	0.3	0.5	-	-	0.3	0.5
Occupied Palestinian Territory	A	0.7	1.0	0.8	0.3	1.5	1.3
Somalia	A	0.4	0.3	0.1	0.3	0.5	0.6
Sudan	A	1.7	2.0	-	-	1.7	2.0
Yemen	A	1.8	2.3	0.4	0.5	2.2	2.8
Total Category A Countries		4.9	6.1	1.3	1.1	6.2	7.2
Algeria	B	0.8	1.3	-	-	0.8	1.3
Egypt	B	1.8	0.7	0.1	0.4	1.9	1.1
Iraq	B	0.4	0.4	-	-	0.4	0.4
Morocco	B	1.8	0.9	0.3	0.0	2.1	0.9
Syrian Arab Republic	B	1.2	3.5	0.3	0.5	1.5	4.0
Total Category B Countries		6.0	6.8	0.7	0.8	6.7	7.6
Jordan	C	0.3	0.5	-	0.3	0.3	0.8
Lebanon	C	0.2	0.4	0.3	0.2	0.5	0.6
Tunisia	C	0.4	0.3	0.1	0.1	0.5	0.4
Turkey	C	0.9	0.8	-	0.1	0.9	0.9
Total Category C Countries		1.8	2.0	0.4	0.7	2.2	2.6
Albania	T	0.3	0.4	-	-	0.3	0.4
Armenia	T	0.4	0.3	-	-	0.4	0.3
Azerbaijan	T	0.5	0.6	0.1	0.1	0.6	0.7
Belarus	T	0.2	0.1	-	0.0	0.2	0.2
Bosnia & Herzegovina	T	0.3	0.1	-	-	0.3	0.1
Bulgaria	T	0.2	0.2	-	-	0.2	0.2
Commonwealth Indep States Cark	T	-	(0.0)	-	0.0	-	0.0
Estonia	T	-	0.0	-	-	-	0.0
Georgia	T	0.4	0.3	-	-	0.4	0.3
Kazakhstan	T	0.5	0.6	-	-	0.5	0.6
Kosovo	T	0.2	0.3	0.8	1.6	1.0	2.0
Kyrgyzstan	T	0.4	0.6	0.2	-	0.6	0.6
Latvia	T	0.1	0.1	-	-	0.1	0.1
Lithuania	T	0.1	0.1	-	-	0.1	0.1
Moldova, Republic of	T	0.2	0.2	-	-	0.2	0.2
Poland	T	0.1	0.1	-	-	0.1	0.1
Romania	T	0.5	0.4	-	-	0.5	0.4
Russian Federation	T	0.5	0.5	0.2	0.1	0.7	0.6
Tajikistan	T	0.7	0.7	-	-	0.7	0.7
Turkmenistan	T	0.5	0.6	-	-	0.5	0.6
Ukraine	T	0.3	0.5	0.2	0.1	0.5	0.6
Uzbekistan	T	0.6	0.6	-	-	0.6	0.6
Total Category T Countries		7.0	7.2	1.5	2.1	8.5	9.3
Bahrain	O	-	-	-	-	-	-
Oman	O	-	-	-	0.0	-	0.0
Saudi Arabia	O	-	0.0	-	-	-	0.0
United Arab Emirates	O	-	0.0	-	-	-	0.0
Total Category O Countries		-	0.0	-	0.0	-	0.1
Total country projects		19.8	22.1	3.9	4.7	23.6	26.8
Regional projects - Arab States		2.1	0.7	0.2	0.2	2.3	0.9
Regional projects - Europe		1.1	1.1	0.7	0.5	1.8	1.5
Total programme activities expenditure		23.0	23.8	4.8	5.4	27.7	29.2

Table 5

Programme activities expenditure by recipient country and region

	Country Category	Regular resources 2003 $million	Regular resources 2002 $million	Other resources 2003 $million	Other resources 2002 $million	Total resources 2003 $million	Total resources 2002 $million
Latin America and the Caribbean							
Haiti	A	-	2.8	1.4	0.5	1.4	3.3
Honduras	A	1.2	1.5	0.5	0.5	1.7	2.0
Total Category A Countries		1.2	4.3	1.9	1.0	3.1	5.3
Belize	B	-	0.1	-	-	-	0.1
Bolivia	B	1.0	1.7	1.1	1.5	2.1	3.1
Ecuador	B	0.8	1.2	0.5	0.3	1.3	1.5
El Salvador	B	0.6	0.6	0.2	0.4	0.8	1.0
Guatemala	B	0.5	0.7	9.8	12.8	10.3	13.5
Guyana	B	-	0.2	-	-	-	0.2
Mexico	B	0.8	1.9	1.7	2.7	2.5	4.7
Nicaragua	B	0.7	1.1	1.4	0.9	2.1	2.0
Paraguay	B	0.6	0.5	-	0.1	0.6	0.6
Peru	B	1.1	1.6	0.4	4.8	1.5	6.4
St. Lucia	B	-	0.1	-	-	-	0.1
Venezuela	B	0.7	0.6	-	-	0.7	0.6
Total Category B Countries		6.8	10.3	15.1	23.4	21.9	33.7
Chile	C	0.1	0.2	-	-	0.1	0.2
Colombia	C	0.3	0.9	0.2	-	0.5	0.9
Costa Rica	C	0.2	0.4	0.1	-	0.3	0.4
Cuba	C	0.6	0.6	(0.1)	0.3	0.5	1.0
Dominican Republic	C	0.5	0.9	0.1	0.2	0.6	1.1
Jamaica	C	0.1	0.3	-	-	0.1	0.3
Panama	C	0.4	0.5	-	-	0.4	0.5
Suriname	C	-	(0.1)	0.2	0.2	0.2	0.2
Trinidad & Tobago	C	-	0.0	-	-	-	0.0
Total Category C Countries		2.2	3.7	0.5	0.8	2.7	4.5
Argentina	O	0.2	0.3	-	-	0.2	0.3
Brazil	O	0.4	0.6	0.3	0.3	0.7	0.9
Caribbean	O	0.4	0.3	-	-	0.4	0.3
Uruguay	O	0.2	0.1	-	-	0.2	0.1
Total Category O Countries		1.2	1.3	0.3	0.3	1.5	1.6
Total country projects		11.6	19.6	17.8	25.5	29.2	45.1
Regional projects		1.8	2.2	0.6	0.3	2.4	2.5
Total programme activities expenditure		13.4	21.8	18.4	25.8	31.6	47.6

Table 6
Regular resources - Analysis of biennial support budget (1994 - 2003)

Year	Regular resources		Net biennial support budget			Net biennial support budget as a percentage of		Management & administration as a percentage of	
	Total income $million	Total expenditure $million	Programme support services $million	Management & administration $million	Total $million	Income %	Expenditure %	Income %	Expenditure %
1994	265.2	274.4	34.2	11.0	45.2	17.0%	16.5%	4.1%	4.0%
1995	312.6	312.1	37.6	12.6	50.2	16.1%	16.1%	4.0%	4.0%
1996	308.8	300.1	39.5	13.3	52.8	17.1%	17.6%	4.3%	4.4%
1997	288.8	303.1	43.0	15.3	58.3	20.2%	19.2%	5.3%	5.0%
1998	275.1	299.8	43.7	11.1	54.8	19.9%	18.3%	4.0%	3.7%
1999	249.8	276.1	46.3	18.6	64.9	26.0%	23.5%	7.4%	6.7%
2000	264.0	211.0	47.2	9.2	56.4	21.4%	26.7%	3.5%	4.4%
2001	268.6	254.2	47.2	9.9	57.1	21.3%	22.5%	3.7%	3.9%
2002	260.1	292.9	50.8	14.6	65.4	25.1%	22.3%	5.6%	5.0%
2003	292.3	270.8	52.2	15.3	67.5	23.1%	24.9%	5.2%	5.7%

Table 7
Regular resources - Movements in reserves and fund balances (1994 - 2003)

	1994 $million	1995 $million	1996 $million	1997 $million	1998 $million	1999 $million	2000 $million	2001 $million	2002 $million	2003 $million
Operational reserve										
Balance at 1 January	48.0	53.0	63.0	63.0	63.0	49.9	24.0	52.0	51.7	50.0
Transfer (to) / from Programmable Fund	5.0	10.0	-	-	(13.1)	(25.9)	28.0	(0.3)	(1.7)	7.7
Balance at 31 December	53.0	63.0	63.0	63.0	49.9	24.0	52.0	51.7	50.0	57.7
Programmable fund										
Balance at 1 January	47.2	33.1	23.5	27.1	11.1	-	-	25.2	39.9	6.6
Net excess / (Deficit) of income over expenditure	(9.1)	0.4	8.6	(14.3)	(24.2)	(26.7)	53.2	14.4	(33.6)	21.7
Transfer to / (from) other resources	-	-	(5.0)	(1.7)	-	0.8	-	-	(1.4)	(0.6)
Transfer (to) / from operational reserve	(5.0)	(10.0)	-	-	13.1	25.9	(28.0)	0.3	1.7	(7.7)
Balance at 31 December	33.1	23.5	27.1	11.1	-	-	25.2	39.9	6.6	20.0
Reserve for field accommodation	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Fund balances at 31 December	90.1	91.5	95.1	79.1	54.9	29.0	82.2	96.6	61.6	82.7

Figure 1. Regular Resources - Income and Expenditure (1994 - 2003)

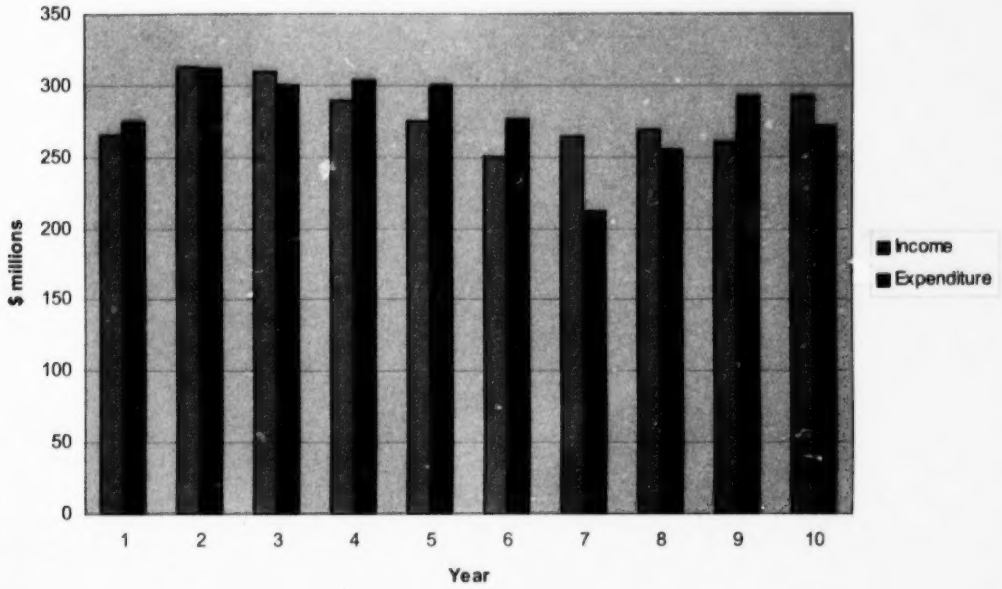
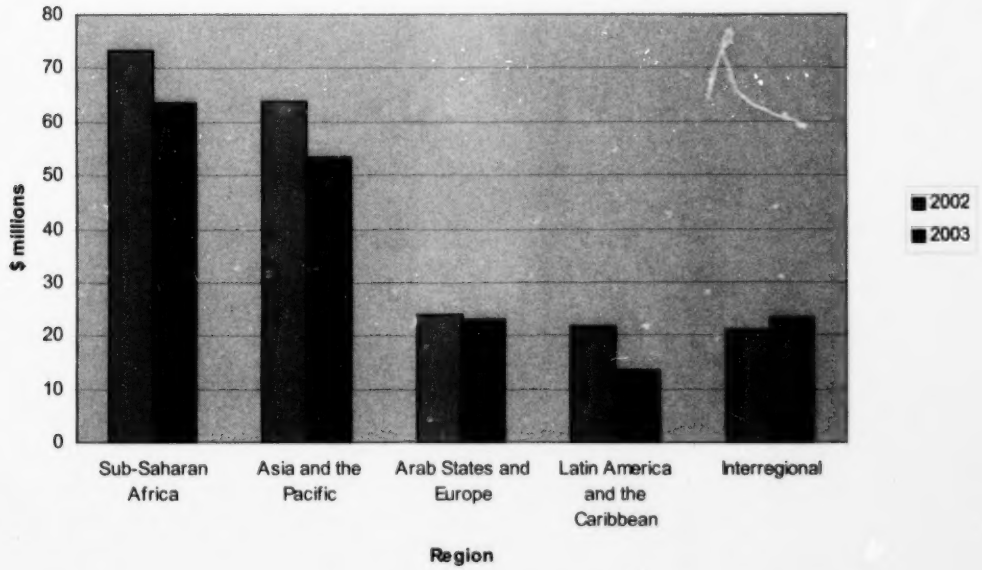


Figure 2. Regular Resources - Programme Activities by Region



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MIDTERM REVIEW OF THE TECHNICAL ADVISORY PROGRAMME

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I. INTRODUCTION

1. This document has been prepared in response to Executive Board decision 2002/3, which requested the Executive Director to submit to the Board at its second regular session in 2004, a report on the findings and recommendations of the midterm review of the UNFPA Technical Advisory Programme (TAP). At its first regular session 2002, the Board endorsed the proposed option for the TAP that shifted the emphasis of the UNFPA Country Technical Services Teams (CSTs) towards more strategic interventions, a greater focus on capacity-building and knowledge sharing, and increased reliance on national and regional human and institutional resources. This option also transformed the arrangement with United Nations partners into a more strategic framework through the strategic partnerships programme. At its annual session 2003, the Board reviewed and took note of the monitoring and evaluation system for the TAP, which includes a midterm review.

Background

2. The TAP (described in the annex) constitutes the UNFPA strategy to increase the efficiency, effectiveness and impact of its technical support in reproductive health, population and development, and gender. It is also a key element in implementing the strategic direction of the Fund.

3. The TAP is composed of nine multidisciplinary CSTs, each supervised by a director. The composition and technical skills of each CST respond to the specific needs and capacities of the regions and subregions in which they are located. Their primary responsibility is to provide technical support and to develop capacity at the regional and country level. However, the CSTs also provide a field-based regional perspective and undertake knowledge sharing at organizational and regional levels. The nine teams, together with the Technical Support Division at headquarters, constitute the UNFPA technical advisory system, which provides integrated technical support to the UNFPA programming process.

4. The TAP includes the strategic partnerships programme with United Nations partners. This initiative, a results-based partnership developed according to the priorities and comparative advantages of each partner organization, focuses on producing results that will improve the effectiveness of UNFPA programmes.

5. The expected outcomes of the TAP are: (a) increased national and regional capacity to provide technical support for population and development programmes; (b) increased accessibility and use of technical information, including lessons learned, to improve the effectiveness of national population and development programmes; and (c) improved strategic technical support at key stages of the UNFPA programme cycle and in United Nations system-wide processes.

II. OBJECTIVES AND METHODOLOGY OF THE MIDTERM REVIEW

6. The purpose of the midterm review is to assess whether the TAP adopted a more strategic approach to technical assistance during its first two years of implementation, and whether the new approach has been effective in providing technical assistance. In order to assess the changes brought about by the TAP, the midterm review addressed the following issues:

(a) Is the TAP contributing to increased regional and national capacity development?

(b) Is the TAP contributing to increased access to and use of technical information, including lessons learned, regional analyses and evidence-based recommendations for policy dialogue?

(c) Is the technical support that the TAP provides to countries strategic in nature?

7. In order to address the above questions, UNFPA collected and analysed information from various sources, including CST annual reports; mission reports from CST advisers; questionnaire responses and interviews with UNFPA Representatives from country offices in all four geographical regions; questionnaire responses from CST directors and advisers in the nine CSTs; and interviews with staff from UNFPA geographical divisions and other divisions at headquarters.

III. FINDINGS

8. The year 2002 was a transition phase for the TAP, during which UNFPA made important changes in the profiles, competencies and terms of reference of the CST directors and advisers. UNFPA reduced the number of posts from 131 to 78. UNFPA also reassessed all CST staff using the new competency-based interviewing procedures, which were applied for the first time in UNFPA. Forty CST advisers were reconfirmed in their posts and 38 were recruited.

9. UNFPA also redefined the tasks and outputs of teams and advisers to ensure that support to country programmes would be more strategic, in line with the strategic direction of UNFPA. UNFPA also sought to make collaboration with headquarters continuous and efficient, which helped to integrate the CSTs more effectively into the organization. The Fund prepared guidelines to manage the TAP and defined rigorous monitoring and evaluation procedures. It also conducted biannual meetings with CST directors. At the same time, UNFPA enhanced the flexibility of the teams to draw upon specialized supplementary technical expertise. In addition, UNFPA developed a framework for the new strategic partnerships programme with United Nations agencies.

10. UNFPA also held planning meetings at the beginning of each year to decide on organizational and regional priorities for technical assistance and to coordinate all CST and UNFPA Technical Support Division work plans. At the end of the year, the Fund conducted joint reviews to assess the level of achievement of the planned results. The TAP monitoring and evaluation framework formed the basis for both exercises.

11. Despite the brief period of operation in 2003 and 2004 of the new TAP programme, it is clear that the system is changing in the intended direction. The changes encompass nearly all aspects of the technical support system, especially with regard to the strategic approach and the work of the CSTs. For example, UNFPA formulated objective criteria to decide on the nature of strategic missions. In addition, the establishment of an objective monitoring and evaluation framework facilitated a shift from an activity-based approach to a results-based approach.

12. Reports and interviews from the field suggest that efforts are being made to adopt a more effective approach to technical assistance. The CSTs are moving away from demand-driven and project-oriented technical support towards more strategic mission and non-mission support focused on capacity-building, regional and institutional-level analyses, and policy dialogue. However, the changeover is not yet complete. Subsequent paragraphs in this document analyse the extent to which the TAP has been successful in attaining each of its three primary objectives. This document also outlines some of the issues that UNFPA is addressing as a result of this exercise.

Outcome 1: Contribution of the TAP to increased regional and national capacity development

13. All CST teams are making concerted efforts to improve the technical capacity of individuals and institutions at regional and national levels. Principal activities include: (a) assessing regional and national capacity; (b) developing effective strategies for capacity development; (c) identifying, assessing and training consultants; (d) identifying national and regional institutions to form part of the CST network; (e) developing technical materials; (f) conducting formal and non-formal training; and (g) facilitating South-South cooperation. Nearly every CST provided results in each of these categories.

14. Despite the large number of CST initiatives linked to capacity-building, the actual impact of these efforts is difficult to evaluate. Reporting practices and criteria are not yet uniform. Some country offices do not find the CST rosters particularly useful. The results of the many training activities carried out by the CSTs require further evaluation. Moreover, it has become evident that strengthening institutions requires a more collaborative and long-term effort with other UNFPA divisions and units, within a broader institutional strategy for capacity development.

Outcome 2: Contribution of the TAP to regional analyses, to the promotion of lessons learned, and to evidence-based recommendations for policy dialogue

15. The participation of the CSTs in regional and institutional-level activities has increased significantly under the TAP. The teams have become more involved in regional and cross-country analyses and initiatives as well as in substantive discussions with UNFPA headquarters. For instance, the CSTs participated in the reviews held in observance of the tenth anniversary of the International Conference on Population and Development (ICPD) and, for the first time, in the design of the current UNFPA interregional programme. The CSTs have an enhanced role in institutional policy formulation. Improved coordination within the technical advisory system (composed of the UNFPA Technical Support Division and the CSTs) as well as with the geographical divisions has facilitated better communication between different programme levels.

16. For the first time, the CSTs are focusing on identifying, collating and disseminating best practices, replicable models and lessons learned in order to enhance policy dialogue. Within the framework of the new strategic direction, UNFPA programmes are expected to generate partnerships through policy dialogue, reflecting evidence-based arguments. As the primary technical field presence of UNFPA, the CSTs play a central role in promoting replicable experiences and models that will substantiate and legitimize the position of the Fund in various policy dialogues. For this purpose, the teams carried out numerous activities linked to improved policy dialogue. The results have not yet been completely reflected in country programmes. This is partly due to the time lag between policy discourse and its translation into action and to the move from project activities towards an evidence-based policy and advocacy approach in some country programmes.

Outcome 3: Strategic nature of the technical support provided directly to countries by the TAP

17. A central concern of the TAP was to focus the activities of CST advisers on more strategic interventions, assigning more routine tasks to external consultants or institutions. As a result, UNFPA developed guidelines and criteria for strategic missions. A majority of CST missions are now deemed to be strategic, in accordance with established criteria. Using these criteria, an evaluation of the 440 field mission reports determined that 70 per cent were strategic in nature. Of all missions carried out in 2003,

16 per cent supported interagency activities such as common country assessments (CCAs) and the United Nations Development Assistance Frameworks (UNDAFs), Millennium Development Goals, poverty reduction strategy papers (PRSPs) and sector-wide approaches (SWAps); 36 per cent supported country programme formulation; and the remaining 48 per cent supported other national development frameworks. Although no benchmark data exist against which to compare such figures, it is clear that UNFPA made significant efforts to ensure that CST advisers made strategic contributions.

18. There is a growing consensus that interventions at regional and subregional levels tend to have a more strategic impact. The CSTs are well positioned in the regions to perceive trends, identify problems and opportunities on a broad scale, and recommend effective approaches. Moreover, providing technical support based on regional strategies has proven to be a cost-effective approach to several types of demands for technical support.

19. The analysis of mission reports of CST advisers and the CST annual reports, as well as interviews with country offices, continues to reveal variations in the understanding of what constitutes strategic support. There is some question as to whether the CSTs, under the new model, are able to provide the entire range of technical support that countries feel they need. The field survey revealed that some country offices view the shift to strategic missions as simply reducing the availability of CST advisers for missions. Further refinement of the concept of strategic support and a better understanding of it will help to establish clearer priorities in allocating technical resources. The use of external consultants has not yet filled the void, either because existing rosters are viewed as inadequate or because outside consultants do not have sufficient institutional knowledge. In some regions, the CSTs provide extensive briefing and orientation workshops to potential consultants in order to address this issue.

20. Another issue in adopting more strategic interventions is the extent to which the strategic direction of UNFPA has influenced country programmes. The TAP is geared to the new strategic direction of UNFPA, particularly to the shift in emphasis from activities and projects to replicable models and lessons learned that are able to influence policy dialogue. Thus, the application of the TAP depends on the extent to which the new approach is understood and implemented. The survey conducted as part of the midterm review indicates that this understanding varies. Hence, the CSTs are still, in some cases, requested to provide technical assistance for traditional tasks that support project activities.

Strategic partnerships programme

21. In 2003 and 2004, UNFPA made progress in implementing the strategic partnerships programme, which represents a departure from past inter-agency arrangements. UNFPA approached four United Nations organizations – the World Health Organization (WHO); the United Nations Educational, Scientific and Cultural Organization; the International Labour Organization (ILO); and the Food and Agriculture Organization of the United Nations – to collaborate under this programme.

22. WHO is one of the principal UNFPA partners in the strategic partnerships programme. In 2003-2004, WHO implemented a project on family planning, sexually transmitted infections and safe motherhood. UNFPA held bilateral consultations with WHO on common areas of cooperation and designed a work plan to be implemented within the framework of UNFPA priorities. UNFPA will review the strategic partnerships programme at the end of 2004. In order to improve the effectiveness of population and reproductive health programmes, UNFPA will explore and actively promote mutual areas of collaboration with United Nations agencies and other partners, within the realm of their respective comparative advantages.

Other challenges to be addressed

23. The Executive Board approved the current TAP framework in view of the advantages that integrated, high-level teams have in generating a multidisciplinary approach to technical assistance within the areas of the UNFPA mandate. Questionnaires and interviews, however, revealed the need in some of the CSTs to reinforce team cohesiveness and the multidisciplinary approach that the new TAP demands.

24. The planning of technical assistance still requires attention. The exigencies of long-term planning (semester or year) imply a commitment to dates and activities over an extended period. At the same time, many country offices argue that the most strategic opportunities are often those that are not planned. The need to maintain some flexibility in CST advisers' schedules in order to respond to emerging opportunities is sometimes at odds with long-term planning. Contributing effectively to policy dialogue involves analysis, creative reflection and collating lessons learned to provide sound technical inputs. This requires providing timely responses when opportunities to participate in high-level policy dialogue arise.

25. Reporting procedures as well as monitoring and evaluation activities have improved in the TAP. Nevertheless, the analysis of annual reports reveals that the understanding of some concepts and the measurement of activities vary. Further refinement and standardization of annual reports will enable greater comparability and efficiency.

IV. ACTIONS TO ADDRESS ISSUES RAISED IN THE MIDTERM REVIEW

26. Further improvements in planning technical assistance needs and activities require a shared commitment to and understanding of strategic support as well as a consensus among country offices, geographical divisions, the Technical Support Division and CSTs regarding priorities and timetables within each region and subregion. UNFPA has established a working group to review the work planning process and to make recommendations to modify current practices in terms of process, structures and systems to improve coordination among the Technical Support Division, CSTs, geographical divisions, country offices and headquarters. UNFPA will continue to promote coordination through planning meetings and through the participation of CSTs in regional and interregional programming processes.

27. UNFPA will adopt a two-year timetable for programmable and time-bound activities in order to further expand effective participation of the CSTs in key exercises such as PRSPs, SWAps and CCA/UNDAFs, as well as in regional and interregional activities. At the same time, the Fund will retain some flexibility in order to allow CSTs to address emerging opportunities and needs.

28. In 2004, UNFPA will review the role and activities to be carried out by the CSTs in the short term, within the context of a broader institutional policy, taking account of the institutional position and comparative advantages of the CSTs as well as specific regional needs.

29. UNFPA recognizes the need to improve understanding and implementation of the strategic direction of the Fund and to orient technical support to it. UNFPA will address this subject at the UNFPA global meeting that will be held in November/December 2004. In order to improve policy dialogue, UNFPA will make greater efforts to enhance the quality and relevance of analyses, especially at the regional and subregional levels, in order to promote evidence-based arguments, replicable models and lessons learned.

30. To better provide and measure strategic technical support, UNFPA is revising previously defined parameters in order to refine and standardize the operational definition of strategic support. The Fund is also improving reporting procedures and clarifying and strengthening the role of external consultants and institutions in order to better address country and regional technical support needs. In addition, UNFPA will test consultant rosters in conjunction with country offices and make them more accessible.

31. The CST advisers are the key actors in the TAP programme. UNFPA will promote additional team-building efforts to further support their role in providing technical assistance. This will help to ensure multidisciplinarity as well as greater cohesiveness and coherence in technical inputs. Moreover, UNFPA will also ensure that sufficient time is allotted in yearly and multi-annual work plans to upgrade the skills of CST advisers.

32. UNFPA will organize a CST advisers' meeting in September 2004 to discuss the issues raised in the midterm review and the actions required to address them. A dialogue with all TAP participants will contribute to enhanced awareness of the issues and a strengthened commitment to improve the effectiveness of the technical assistance provided through this programme.

V. ELEMENTS OF A DECISION

33. The Executive Board may wish to take note of the midterm review of the Technical Advisory Programme (DP/FPA/2004/16).

ANNEX

BRIEF DESCRIPTION OF THE UNFPA TECHNICAL ADVISORY PROGRAMME

1. As approved by the Executive Board in decision 2002/3 for the period 2002-2005, the TAP constitutes the UNFPA strategy to increase the efficiency, effectiveness and impact of its technical support in reproductive health, population and development, and gender. It is also a key element in implementing the strategic direction of the Fund. Specifically, the role of the TAP is to contribute to: (a) increased national and regional capacities to provide technical support for population and development programmes; (b) increased accessibility and use of technical information to improve the effectiveness of national population and development programmes; and (c) improved strategic technical support at key stages of the UNFPA country programme cycle as well as in United Nations system-wide processes such as the CCA and UNDAF.

2. The TAP is composed of nine multidisciplinary CSTs.[1] The TAP also includes the strategic partnerships programme with United Nations partners. The strategic partnerships programme is expected to produce results that will improve the effectiveness of UNFPA programmes through project agreements focused on the priorities and comparative advantages of each partner organization.

3. The composition and technical skills of each CST respond to the specific needs and capacities of the regions and subregions in which they are located. The size and composition of the CSTs vary in accordance with the capacities and abilities of the country offices in each region to access other sources of technical assistance, including South-South cooperation. CST deployment in Africa is the largest due to the magnitude of the need and the priority given to this region by the international community and the United Nations system.

4. The primary responsibility of the CSTs is to provide strategic technical support and to develop capacity at the regional and country level. However, the CSTs also provide a field-based regional perspective and undertake knowledge sharing at organizational and regional levels. The nine teams, together with the Technical Support Division at headquarters, constitute the UNFPA technical advisory system, which provides integrated technical support to the UNFPA programming process.

5. The TAP is designed to support the new strategic direction of UNFPA, particularly the shift in emphasis from activities and projects to replicable models and lessons learned that influence policy dialogue. Within the framework of the strategic direction, UNFPA programmes are expected to generate partnerships through policy dialogue, reflecting evidence-based arguments. The CSTs, as the primary technical field presence of UNFPA, occupy a central role in promoting replicable experiences or models that will substantiate and legitimize the Fund's stance in policy dialogue and that will promote the ICPD more effectively.

6. The main functions of the CSTs are to: a) conduct regional analyses and contribute to the development of regional strategies; b) support capacity-building for technical assistance; c) promote the UNFPA policy agenda; d) share lessons learned and best practices; and e) undertake strategic missions for the effective formulation and implementation of country programmes.

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[1] Asia (Bangkok, Thailand; Kathmandu, Nepal; and Suva, Fiji); Latin America (Mexico City, Mexico); Arab States (Amman, Jordan); Europe (Bratislava, Slovakia); Africa (Addis Ababa, Ethiopia; Dakar, Senegal; and Harare, Zimbabwe).

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Financial, Budgetary and Administrative Matters

UNITED NATIONS POPULATION FUND

ADDITIONAL SECURITY REQUIREMENTS TO SAFEGUARD UNFPA PERSONNEL AND PREMISES GLOBALLY

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Executive Director on the additional security requirements to safeguard UNFPA personnel and premises globally (DP/FPA/2004/14). During its consideration of the report the Advisory Committee met with the Deputy Executive Director (Management) and her colleagues, who provided additional information.

2. The Committee notes that approved resources in the biennial support budget for 2004-2005 for this purpose amount to $4.6 million (see table 1 of the report). The Executive Director indicates that additional protective measures to address the deterioration of the security framework and ensure that the organization has the capacity to effectively respond to the demands of the rapidly changing global environment with minimal interruption of its operations would require additional resources estimated to amount to $6.8 million (paragraph 1 and table 1). The measures envisaged are enumerated in paragraph 2 of the report.

3. Further to the information provided in table 1, the Advisory Committee, upon enquiry, was provided with a detailed breakdown of the requirements proposed:

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Breakdown of security requirements, 2004-2005
(in millions of US dollars, source: table 1)

Item	Approved amount	Additional requirement		Description	Total		Time frame
MOSS compliance	2.7	4.4	b/	One time costs	5.6	/a	As required by country officials
				Recurrent costs	1.5	c/	Ongoing
				Total	*7.1*		
Contribution to UNSECOORD and insurance	1.5	1.2		UNSECOORD	1.6	d/	Ongoing
				Insurance	1.1	e/	Ongoing
				Total	*2.7*		
Staff costs	0.3	1.2		1 HQ Adviser	0.3		Ongoing
				3 Regional Advisers	0.7	f/g/	As soon as possible. Consultants in the interim
				1 support staff HQ		h/	As soon as possible
				Equipment (one time)		i/	
				Other (one time)		j/	
				Total	*1.5*		
Grand Total	**4.5**	**6.8**			**11.3**		

a/ Construction walls and barriers, radio rooms, armour, TV systems, X-ray equipment, other communications, parking.
b/ Based on average costs of $85,000 per country office estimated by UNDP, pro-rated for UNFPA (100% for 34 "independent country offices and 25% for the balance "shared" country offices).
c/ Staffing for guards, radio room operators as well as maintenance.
d/ Includes UNFPA's 2 % share of projected additional costs for UNSECOORD of $8.2 million.
e/ Includes projection of UNFPA's share of coverage for additional premium MAIP.
f/ Budgeted at P-4 level in accordance with UNSECOORD policy. Includes travel of $25,000 per staff.
g/ Intended co-location with existing UNFPA Country Technical Services Teams: Jordan, Thailand or Nepal and Ethipia or Senegal or Zimbabwe.
h/ Budgeted at G-7 level.
i/ $30,000 for computers, satphones, GPS, etc.
j/ Includes provision for UNFPA liability for United Nations access control project.

The Committee points out that the foregoing information was not accompanied by further detail or by any analysis of how these projected allocations were arrived at.

4. The Advisory Committee was also informed that during the last 12 months eight country offices had been relocated for safety and/or security reasons (in Cambodia, Central African Republic, Indonesia, Islamic Republic of Iran, Philippines, Somalia, Sudan and Yemen) and five more will be relocated during this biennium (in Afghanistan, Bhutan, Guinea, Jordan and Syrian Arab Republic).

5. The Committee notes that the Executive Director's request for additional resources amounts to approximately 4 per cent of the approved gross 2004-2005 regular biennial support budget. The amount would be treated as a reserve and recorded as such in the financial statements.

6. The Advisory Committee recognizes the importance and the urgency of strengthening the security and safety of United Nations operations, staff and premises. However, in its report on the subject (A/58/758), the Committee indicated that resource requests for such purpose should not be based on a piecemeal approach but preceded by a comprehensive and complete review of security arrangements. In addition, the Committee indicated the need for an integrated and coordinated approach by all organizations of the United Nations system and requested the Secretary-General to aim, in his report to be submitted early in the fifty-ninth session, at the establishment of a unified standard in terms of the level of security. The General Assembly endorsed these recommendations in its resolution 58/295 of 18 June 2004 and in paragraph 6 of the resolution enumerated the elements to be contained in the comprehensive report.

7. The Advisory Committee endorses the measures indicated in (a) through (d) of paragraph 2 of the report and takes note of UNFPA's timely efforts in this regard. It trusts that they will be integrated in an overall United Nations comprehensive plan. However, bearing in mind the considerations referred to in paragraph 6 above, the Committee is of the opinion that action on the recruitment of the three field-based regional security advisers and one member of support staff at headquarters (paragraph 2 (e)) should await the submission of the Secretary-General's comprehensive report and such decision as the General Assembly may take thereon.

8. Subject to what has been stated in paragraph 7 above, the Advisory Committee recommends that the Executive Board endorse the proposal of the Executive Director to grant her exceptional authority during 2004-2005 to access up to 4 per cent of the approved gross 2004-2005 regular biennial support budget of $169.6 million, as additional funding for security measures amounting to a maximum of $6.8 million. The amount should be utilized only for the purposes intended; it should be recorded as a reserve, disclosed in the financial statements and reported to the Executive Board in the annual financial review.